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May 15, 2001 LB 536

higher in western Nebraska where there are fewer ethanol plants than it would be in eastern Nebraska, but I think you explained why that might happen.

SENATOR CONNEALY: Transportation costs.

SENATOR RAIKES; Okay, thank you. Senator Wehrbein, if I could ask you a question.

PRESIDENT MAURSTAD: Senator Wehrbein, would you yield?

SENATOR WEHRBEIN: Yes.

SENATOR RAIKES: One of the issues with LB 536 is a...is the proposal or the part of LB 536 that would require a tax paid on gluten feed. Do you...do you favor that provision of LB 536?

SENATOR WEHRBEIN: Not really, no.

SENATOR RAIKES: And why don't you?

SENATOR WEHRBEIN: Two reasons, one is I don't think it's a necessary tax to tax gluten feed. Secondly, administratively, it's very difficult for those plants that produce several by-products to...and products--ethanol, high fructose syrup, others, to sort out where there by-products are coming from and then having to pay the tax, I guess, on the ethanol by-product versus other by-products. So I think it's administratively a difficult issue.

SENATOR RAIKES: Well, the second one first, if I might, I've...I've mentioned several times that I'm...that I purchase both gluten feed and distiller's grains, as I think you do also.

SENATOR WEHRBEIN: Yes.

SENATOR RAIKES: You get a bill which has a number of tons on there and a price per ton...

PRESIDENT MAURSTAD: One minute.